



**DEPARTMENT OF WORKFORCE SERVICES
ISSUANCE PY 09-03**

Artee Williams, Director

July 24, 2009

TO: Local Workforce Investment Area/Service Providers
All Department of Workforce Services Employees

SUBJECT: Availability of Pell Grants for Unemployment Insurance (UI) Beneficiaries

1. **Purpose:** To strongly encourage local areas to help UI beneficiaries apply for Pell Grants through Arkansas Workforce Centers.
2. **General Information:** President Obama recently announced that the Administration seeks to enable more workers to obtain job training while receiving unemployment benefits so they can develop their skills while the economy recovers.

The Pell Grant program is a post-secondary, educational grant program sponsored by the United States Department of Education (DOE). Pell Grants are awarded based on financial need and other factors. Many UI beneficiaries are potentially eligible for Pell Grants, and the DOE is currently undertaking a major effort to encourage student financial aid administrators to use the discretion available to them in determining if UI beneficiaries are eligible for Pell Grants.

According to the Free Application for Federal Student Aid (FAFSA) Web site:

“If you (and your family) have unusual circumstances that might affect your financial situation, complete and submit the FAFSA and then notify the school's financial aid office. In some cases, the school's financial aid office may decide to take these unusual circumstances into account and adjust your cost of attendance or the information used to calculate your Expected Family Contribution (EFC). Provide the financial aid office with adequate documentation to support any special circumstance.

Possible examples of unusual circumstances include:

- Tuition expenses at an elementary or secondary school.
- Unusual medical or dental expenses not covered by insurance.
- A family member who recently became unemployed.
- Changes in income or assets that may affect your eligibility for financial aid.”

Special Notes:

In response to the DOE's roll out of the 2009-2010 FAFSA, revised to include questions asking whether an individual or an individual's spouse or parent is a dislocated worker, which will be used when determining need for financial aid; and to ensure that UI beneficiaries are aware of their potential eligibility for Pell Grants, the United States Department of Labor's Employment and Training Administration (ETA) is asking state UI agencies to send each beneficiary a letter (attached) describing the Pell Grant program, directing them to information about Pell Grants, and explaining that UI beneficiaries can continue to receive UI benefits while in training with the state's approval. The letter provides information about Pell Grants and advises individuals of a new Web site, www.opportunity.gov, with Pell Grant and other information. The Department of Workforce Services (DWS) is mailing this letter to all current UI beneficiaries and to all new beneficiaries until further notice from ETA.

After receiving notification of Pell Grant availability, increased numbers of UI beneficiaries will likely seek the services of our Arkansas Workforce Centers. DWS, local workforce investment areas, and workforce centers can play a pivotal role in connecting UI beneficiaries to the training and services necessary for them to become reemployed, and can assist UI beneficiaries in three ways.

- Staff of workforce centers can coordinate strategies for serving UI beneficiaries to ensure that UI beneficiaries enter training that allows them to continue receipt of their UI compensation. For instance, in Arkansas, training provided to jobseekers under WIA is automatically considered approved training for UI purposes. As part of working with UI beneficiaries to find appropriate training, workforce center staff should coordinate with UI staff to secure approval of that training, so the individual does not later face difficulty maintaining UI eligibility due to training that does not qualify.
- Workforce centers should be prepared to assist UI beneficiaries in applying for Pell Grants and other financial aid. Many of our workforce centers already routinely assist individuals with financial aid applications. Others may need to establish policies, provide desk aids, or upgrade Web sites and materials in the workforce centers. Individuals interested in applying for a Pell Grant must complete the FAFSA. The U.S. Departments of Education and Labor have established a new web site, www.opportunity.gov, which provides useful information and links that local areas are encouraged to share with UI beneficiaries. There is a considerable amount of information on applying for the FAFSA at www.fafsa.ed.gov, and helpful information on how to counsel individuals seeking federal financial aid at www.fsa4counselors.ed.gov.
- Local areas should help UI beneficiaries obtain relevant training and become reemployed. Workforce centers should ensure UI beneficiaries seeking Pell Grants have access to the full range of services available within the center. UI beneficiaries may benefit from skill assessments, career guidance, labor market information, job search assistance, assistance in strategically choosing training that prepares them for job openings in their local economy, and assistance in obtaining funding for that training.

It may be appropriate to enroll UI beneficiaries in the Workforce Investment Act (WIA) dislocated worker or adult program to access these services. An individual who meets WIA dislocated worker eligibility, whether or not she or he is enrolled in the WIA dislocated worker program, may qualify for one of the simplified needs analyses used by financial aid administrators to determine the student's need for federal student aid. A dependent student who has a parent who is a dislocated worker, or an independent student who is, or whose spouse is, a dislocated worker, may be eligible for one of these simplified needs analyses. Financial aid offices may need additional general guidance to clarify the definition of dislocated workers and to determine appropriate documentation of dislocated worker status. As the local workforce investment system is uniquely positioned to offer this guidance, the State encourages local workforce centers to respond to general information requests about the dislocated worker definition from financial aid offices, as necessary. The U.S. Department of Labor previously published information on the new questions in the FAFSA that affect WIA dislocated workers, and how the workforce investment system can assist One-Stop Career Center customers and financial aid administrators. See Training and Employment Notice 32-08.

3. **Action Required:** Please provide this document to all appropriate staff.
4. **Inquiries:** Mike Kennedy (501) 682-3142 or mike.kennedy@arkansas.gov
5. **Attachments:** UI Beneficiary Letter
6. **Expiration Date:** Ongoing

Date

[Beneficiary name and address should be printed on letter.]

I am writing to urge you to consider taking advantage of new opportunities for education and training available now to unemployed workers.

On May 8, 2009, President Obama announced that workers like you who are getting unemployment insurance (UI) benefits would receive special consideration for financial aid to pay for job training or education. You may also be able to keep your UI benefits while enrolled. Studies have shown that workers with more education and training have more secure jobs and higher wages.

Effective July 2009, Federal Pell Grant scholarships will cover up to \$5,350 in education and training expenses. They are accepted at nearly all universities and community colleges and many trade and technical schools. Even if you do not qualify for a Pell Grant, you may be eligible for other financial aid.

Applying for financial aid and finding training are not difficult. The Departments of Education and Labor have created a single web site, www.opportunity.gov, where you can find helpful information.

If you are interested in pursuing these opportunities, here are the steps you should take:

- Decide what type of training best meets your needs. You may want to visit www.careeronestop.org or visit your local community college or Arkansas Workforce Center for help in identifying potential education and training opportunities. To locate the Arkansas Workforce Center nearest you, visit www.arworks.org and click on "Your Local Connection".
- Schools or Arkansas Workforce Centers can also help you apply for Pell Grant scholarships and other federal financial aid. An application is also available at www.fafsa.ed.gov or by calling 1-800-4FEDAID. While you will need to report last year's income when applying, your school can adjust your eligibility to reflect your current circumstances.
- Additional financial aid opportunities are also available through the Arkansas Department of Higher Education at www.adhe.edu. Certain financial aid programs, such as the GO! Opportunities Grant and the Workforce Improvement Grant (WIG) were created to help non-traditional

students (or those already in the workforce) to get or improve the skills they need to compete in today's economy.

- Not all training you wish to take will qualify as "approved training" for unemployment insurance benefit purposes. The advantage of being enrolled in approved training is that you will not be required to be available for work or look for work while in training in order to continue receiving your unemployment insurance benefits. The Arkansas Department of Workforce Services (DWS) will consider the following factors when considering whether to approve your selected training course:
 - ✓ Training must be full time
 - ✓ Training must be able to be completed within two years or less
 - ✓ You must possess the skills and aptitude necessary to complete the training
 - ✓ Training must be on the demand occupation list. Please visit www.discoverarkansas.net to see if a training course is on the list or ask your training provider for assistance. If a training course is not on the demand occupation list it still can be approved if you present a letter from an employer indicating that you will be hired upon completion of the training.

Once you have enrolled in a training course, if you are still applying for unemployment insurance benefits, you should report to your local DWS office and request that your training be approved. You will be required to complete a simple form to request approval. The DWS local office manager will notify you whether your training has been approved. If your training is not approved, you still may be able to collect unemployment insurance benefits as long as you can attend the training and establish that you are available and looking for suitable work.

Be sure to take this letter with you to the school you select. For the next 90 days, it confirms that you are an unemployment insurance beneficiary. While it does not guarantee you a Pell Grant, your school may use this letter to adjust your eligibility. After 90 days, you may provide alternative evidence that you are currently receiving unemployment insurance benefits. Your local DWS office can provide you with this evidence.

While our economy is struggling, we have an opportunity to improve workers' skills and lay the foundation for a stronger economy in the future. I encourage you to carefully consider this opportunity.

Sincerely,

Artee Williams